



Governor's Solar Advisory Task Force

- Date/Time:** Thursday, January 19, 2012, 2:00 p.m. - 4:00 p.m.
- Location:** 1700 W. Washington, Phoenix, AZ 85007
State Capitol, Executive Tower, Grand Canyon Meeting Room
- Co-Chairs:** Leisa Brug, Director, Governor's Office of Energy Policy
James Strock, Serve to Lead, Inc.
- Invitees:** Appointed members of the Task Force
Maria Baier, State Lands Commissioner
Kevin Kinsall, Natural Resources Policy Advisor
- Members Present:** Brad Albert, APS; Franc Del Fosse, Snell & Wilmer, LLP; Allison Hoskins-Suriano, Kennedy Partners; Michael Neary, ARISEIA Arizona Chapter Solar Energy Industries Assn.; George Seitts, Rose Law Group, PC; Sean M. Seitz, American Solar Electric; James Strock, Serve to Lead, Inc.; Polly Shaw, Suntech; Robert Wanless, SOLON Corporation; Laurie Woodall, URS
- Members Absent:** John Blair, Sulphur Springs Valley Electric Cooperative, Inc.; Charles B. Duckworth, SRP; Patrick James Graham, The Nature Conservancy; Glenn Hamer, Arizona Chamber of Commerce and Industry; Herb Hayden, Southwest Solar; David Hutchens, Unisource Tucson Electric Power; Kate Maracas, Abengoa Solar; David Martin, Associated General Contractors;
- Guests:** Allan Bennett, Hydro Aluminum Extrusion Americas; Kirk Busch, AZ4Solar; Ian Calkins, Copper State Consulting Group; Trisha Ekenberg, Governor's Office of Energy Policy; Giancarlo Estrada, KMLF; Laurence Friedman, Regeneration Finance; Todd Friedman, Regeneration Finance; Eric Gorseger, Sonoran Institute; Alana Hake, Lewis & Roca, LLP; Matt Gomes, NextEra Energy; Molly Green, Salt River Project; Michael Grossman, Fifty Plus One; Janet Holston, ASU-SkySong; Lon Huber, Suntech; Maren Mahoney, ASU Sandra Day O'Connor College of Law; Kim Molina, Governor's Office of Energy Policy; Ron Monat, CB Richard Ellis; Sobia Naqvi (for Kate Maracas), Abengoa Solar; Steve Olea, Arizona Corporation Commission; Amanda Ormond, Ormond Group; Dana Paschke, Policy AZ, LLC; Randy Pereira, CBRE; Ryan Pereira, CBRE; Ashleen Piercy, League of Arizona Cities & Towns; Bruce Plenk, City of Tucson; Wayne Porter, Solar Electric Systems & Products; Toby Rolt, Brilliant Green Energy; Terry Rother, Governor's Office of Energy Policy; Joy Seitz, American Solar; Tony Siebers, First Solar, Inc.; Martin L. Shultz, BHFS; Janet Stone, Governor's Office of Energy Policy; Rob Taylor (for Charles Duckworth), Salt River Project; Gene Trobia, ASLO; Tai Wallace, Navey La Placa, intern; Jim Westberg, Governor's Office of Energy Policy; Simone Westbrook-Hall, The Nature Conservancy

1. CALL TO ORDER

James Strock called the meeting to order at 2:00 pm.

2. APPROVAL OF MINUTES

Laurie Woodall seconds the motion to approve the minutes from the previous meeting. Minutes approved.

3. OLD BUSINESS

Update on December report to Governor Brewer.

Leisa Brug: 2011 recommendations were submitted to Governor Brewer on time. Thanks to Rob and Sean since there were things that had to be adjusted at the last minute. The Rapid Response team also got a very favorable response from the Governor. The Deputy wants to streamline the agencies and this goes right along with what the Governor wants to do. This is positive all of the way around.

Update on Sun Shot Initiative.

Jim Westberg: On Dec. 1, 2011 the Arizona Governor's Office of Energy Policy was awarded \$700,000 for the Sunshot solar initiative by the US Dept. of Energy. This grant will identify best practices in finance, permitting, and zoning to move toward voluntary statewide uniformity. The Rooftop Solar Challenge project will drive adoption of an online system in five jurisdictions that allows for over the counter, same day permit review. The GOEP office led a regional team to apply for this grant working with the cities of Flagstaff, Phoenix, Tucson, Arizona State University's Global Institute of Sustainability, and SmartPower. This grant will bolster our commitment to solar technology, allowing us to create statewide, streamlined processes for permitting and interconnection. Bruce Plenk with The City of Tucson was called up to speak about regional contacts.

4. NEW BUSINESS

Financing Subgroup

Franc del Fosse: This sub-committee had their first teleconference on Jan. 9, 2012 and the purpose was to figure out their objectives. They are trying to be over inclusive as much as possible and anyone is welcome to join the sub-group. James Strock will be more involved in this sub-committee.

Goals/Scope of Work

Franc del Fosse: There was a consensus on the conference call that their goal is to find out their objective is as far as the overall mandate with what task force was charged with. Franc read the following: To recommend and evaluate incentives to broaden solar energy producers and manufacturers continuation of improvement or expansion. Also to identify the impediments which have halted solar energy projects and has limited the implementation of solar and recommended improvements regarding the same. Thirdly, to evaluate and propose the forms to publicize the advancement in the solar industry. James summarized by saying that basically it is the process to evaluate what's already out there, then work progressively toward additional things. James also stated that we need to be able to advise the governor as a group.

Members

Current members:

Brad Albert, APS; Franc Del Fosse, Snell & Wilmer; Michael Neary, ARISEIA; Polly Shaw, Suntech; Rob Wanless, Solon Corporation; David Hutchens, Unisource; Allison Hosking-Suriano, Kennedy & Partners; Glenn Hamer, Arizona Chamber of Commerce and Industry; Sean Seitz, American Solar Electric

Deliverables

Leisa Brug: She attended a meeting yesterday with the ACA regarding what they will be doing moving forward. It's important to stay focused on policy. Leisa stated that it's easy to venture out of policy. What can we do from a policy perspective to make a change or initiate something, is what we are charged with. Keep on task. Other issues may be able to be passed onto another group such as ACA, GPEP, Legislature. Policy wise, what can we do?

Sean Seitz asked how do you define policy? Leisa stated that it is not loosely defined, it's making a change in a transparent system. If it's a good idea, then we need to give it to who we need to give it to. Go where the result is going to get it done the fastest route. Leisa stated that GOEP currently has a manager for the residential program, Terry Rother. These programs are currently running into budget issues on a federal level. Leisa made the recommendation to have a meeting with Terry and review what is in place currently and what needs to be done. Internally GOEP is trying to come up with creative ideas and are looking very close at energy efficiency.

Discussion

Franc del Fosse: the next meeting for the finance sub-committee will be held the 1st or 2nd week in Feb. Franc commented on the segments of solar, there is residential, commercial, and utilities he noticed in recommendations and to make sure we are focusing on and paying attention to all areas. Statement from audience member Lon Huber, Suntech regarding putting together a high level concept paper to familiarize and learn about new water conservation. He welcomes questions and comments. Franc stated that lenders are more willing to lend to commercial rather than residential. Long term lending (20 years) creates relatively attractive finance rates and helps with upfront capital which allows businesses to be more competitive attracting financing fixed pool incentives. Audience member, Randy Pereira CBRE discussed funds being made available through utility bill, secured through property tax.

-10 min. break-

Transmission Subgroup

Leisa Brug stated that she will be more involved in this group.

Goals/Scope of Work

Laurie Woodall announced her change of email address: Laurie.Woodall@urs.com

Laurie discussed the executive order is for Task Force members to identify impediments which have halted solar energy transmission limitations to be addressed within that charge.

Request for Members

Laurie was contacted in November by APS, SRP, and the Commission and they expressed an interest in being a part of the sub-committee.

Next Steps

The task force will select sub-committee for transmission to complete a white paper on utility scale

market segments including the potential exporting of renewable energy. The first order of business among the members is to find out what utility scale market segments we are referring to and to discuss initiative currently undergoing with respect to transmission for renewables. Laurie has identified 3 entities that are interested in participating in this, let her know if anyone else is interested. She would like to have some developers in the sub-committee. No routing issues will be discussed right away and she does not anticipate environmental issues will be discussed. Send Laurie an email if anyone is interested in being a part of sub-committee. Laurie also informed everyone that every 2 years the Corporation Commission conducts an assessment of the status of transmission system in Arizona. The process will be starting up this spring and one item in last quarter adopting assessment. In 2010 it was required that jurisdictional entities conduct or procure a study as well as stakeholder workshop in conjunction with a study which identified barriers to and solutions for enhancing Arizona's ability to export renewable energy including identifying specific transmission that should be built out in order to accomplish this objective. The study has been completed and filed and there has been no analysis or formal review of it because commission ordered that study and results of workshop shall be filed in Nov. 2011 and be included as part of the 2012 bi-annual transmissions assessment. This suggests that a more full discussion will occur this spring at the commission and the sub-committee will want to participate in or at least stay informed and provide input. Brad Albert, APS discussed the nature of this study and understanding that no surprises on the types of lines looked at. The primary export lines are the Delaney and Colorado River which is a segment of what has been referred to as PV endeavors line as well as Palo Verde to North Gila line, Southern route going through Yuma going toward San Diego. Brad also discussed to look at the other side of the border where there is sufficient transmission capacity to make a difference. Laurie stated that by the next meeting they would like to come up with a definition of what white paper and utility scale market segments and what issues we are going to address.

Identification, discussion of Concurrent Efforts & Events—General Discussion

Federal government

Leisa stated that governors from Nevada, Oregon, Colorado, New Mexico have approached the Governor regarding energy initiatives.

State government

The Governor is interested in this committee and is supportive. Leisa stated that we should be progressive about this. We want to lead, not follow.

University/Think Tank

Associations

Leisa attended the National Governor's Association where she was approached by the Governors of New Mexico and Colorado regarding energy. Transmission was discussed; however not much action was taken regarding it.

Conferences

Polly Shaw announced the following conferences:

PV America: March 19-21, San Jose, CA

Solar Power International 2012: September 10-13, Orlando, FL

Other

Leisa will think of someone in her office that may be able to gather event information to go with either energy policy newsletter, the save the date, or the agenda.

5. COMMENTS/ANNOUNCEMENTS

Leisa thanks the committee for hard work and states that Governor Brewer is pleased. Leisa would like to

bring about a collaboration with other ancillary groups whether it's solar or not. Anybody and everybody is able to apply to be a part of the Task Force. The postings will be available on-line. Sonoran Friends sent a support letter to the Task Force.

6. PUBLIC COMMENTS

No comments.

7. ADJOURNMENT

James Strock adjourned at 3:45 pm

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